

House Study Bill 689

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
ECONOMIC GROWTH BILL BY
CHAIRPERSON HOFFMAN)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act to establish an advanced telecommunications services
2 incentives program and fund in the utilities division of the
3 department of commerce.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 6086YC 81
6 kk/gg/14

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1 1 Section 1. NEW SECTION. 476.58 ADVANCED
1 2 TELECOMMUNICATIONS SERVICES INCENTIVES PROGRAM.
1 3 1. For purposes of this section, "advanced
1 4 telecommunications services" means infrastructure capable of
1 5 delivering a data transmission speed of at least two hundred
1 6 kilobits per second in each direction.
1 7 2. The utilities board shall establish an advanced
1 8 telecommunications services incentives program to provide
1 9 loans, loan guarantees, or grants to telecommunications
1 10 service providers in this state in order to establish or
1 11 expand the provision of advanced telecommunications services
1 12 in this state. Moneys received by a telecommunications
1 13 service provider under this program shall be used to provide
1 14 advanced telecommunications services in geographical areas of
1 15 this state where advanced telecommunications services are not
1 16 otherwise available. The board shall give priority as
1 17 determined by the board to the establishment or expansion of
1 18 advanced telecommunications services in rural areas of the
1 19 state.
1 20 3. An advanced telecommunications services fund is created
1 21 within the state treasury under the control of the utilities
1 22 board. The fund shall consist of moneys appropriated or
1 23 allocated to the fund and any other moneys available to and
1 24 obtained by the board from the federal government or private
1 25 sources for placement in the fund. The assets of the fund
1 26 shall be used by the board only for administering the advanced
1 27 telecommunications services incentive program. All moneys
1 28 designated for repayment to the advanced telecommunications
1 29 services fund shall be credited to the fund. The department
1 30 shall determine the actuarially sound reserve requirement for
1 31 the amount of guaranteed loans outstanding.
1 32 4. The board shall adopt rules as necessary for the
1 33 administration of the advanced telecommunications services
1 34 incentives program under this section.
1 35 5. The general assembly is not obligated to appropriate
2 1 moneys to pay for any defaults or to appropriate moneys to be
2 2 credited to the advanced telecommunications services fund.
2 3 The advanced telecommunications services program does not
2 4 obligate the state except to the extent provided in this
2 5 section, and the board, in administering the program, shall
2 6 not give or lend the credit of the state.
2 7 EXPLANATION
2 8 This bill establishes an advanced telecommunications
2 9 services incentives program and fund within the utilities
2 10 division of the department of commerce. The utilities board
2 11 shall establish an advanced telecommunications services
2 12 incentives program to provide loans, loan guarantees, or
2 13 grants to telecommunications service providers to establish or
2 14 expand advanced telecommunications services, also known as
2 15 broadband services, in areas of this state where such services
2 16 are not otherwise available. The board shall give priority to
2 17 telecommunications service providers seeking to establish or

2 18 expand advanced telecommunications services in rural areas of
2 19 the state.
2 20 The bill establishes an advanced telecommunications
2 21 services fund in the treasury of the state and under the
2 22 control of the utilities board. Moneys in the advanced
2 23 telecommunications services fund shall be used for the
2 24 purposes of the advanced telecommunications services
2 25 incentives program as provided in the bill.
2 26 The bill provides for the adoption of rules by the board.
2 27 The general assembly is not required to appropriate moneys for
2 28 the advanced telecommunications service incentives program and
2 29 the board may not give or lend the credit of the state.
2 30 LSB 6086YC 81
2 31 kk:rj/gg/14